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PP RUEHAG RUEHBI RUEHCI RUEHLH RUEHPW RUEHROV

DE RUEHAA #0186 0371003

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P 061003Z FEB 08

FM AMEMBASSY ASHGABAT

TO RUEHC/SECSTATE WASHDC PRIORITY 0217

INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY

RUCNCIS/CIS COLLECTIVE PRIORITY

RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY

RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0237

RUEHAK/AMEMBASSY ANKARA PRIORITY 3343

RUEHBJ/AMEMBASSY BEIJING PRIORITY 1159

RUEHUL/AMEMBASSY SEOUL PRIORITY 0019

RUEHKO/AMEMBASSY TOKYO PRIORITY 1027

RUEHIT/AMCONSUL ISTANBUL PRIORITY 1596

RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY

RUEAAIA/CIA WASHDC PRIORITY

RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY

RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY

RUEATRS/DEPT OF TREASURY WASHDC PRIORITY

RHEFDIA/DIA WASHDC PRIORITY

RUEKJCS/Joint STAFF WASHDC PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

RUEKJCS/SECDEF WASHDC PRIORITY

RUEHBS/USEU BRUSSELS PRIORITY

RUEHVEN/USMISSION USOSCE PRIORITY 2188

C O N F I D E N T I A L ASHGABAT 000186

SIPDIS

SIPDIS

STATE FOR SCA/CEN, EEB

PLEASE PASS TO USTDA DAN STEIN

ENERGY FOR EKIMOFF/THOMPSON

COMMERCE FOR HEUPER

USAID/W FOR EE/AA

E.O. 12958: DECL: 02/06/2018

TAGS: [PGOV](#) [PREL](#) [EPET](#) [EINV](#) [ETRD](#) [EIND](#) [KS](#) [TX](#)

SUBJECT: TURKMENISTAN: MIDLAND OIL MOVES FORWARD

REF: ASHGABAT 0169

Classified By: CHARGE RICHARD E. HOAGLAND, 1.4 (B), (D)

¶1. (C) Chairman of the Board and President of the U.S.-based Midland Oil and Gas Company Robert Murphy telephoned the Charge on February 6 to provide a rushed brief on the results of his consortium delegation's visit to Ashgabat that began on January 29 (reftel). He said his overall consortium includes 27 international companies.

¶2. (C) In former Soviet parlance, Midland "over-fulfilled the plan" by a whopping margin. Murphy said Midland is in "pre-qualification status," approved by Deputy Chairman Tachberdi Tagiyev and blessed by President Berdimuhamedov, for a very large business package. He said Midland plans to mobilize within 30 days to send teams back to Ashgabat to conduct detailed contract negotiations for the following:

-- three off-shore hydrocarbon blocks (23, 30, 31), and a nation-wide on-shore oil and gas service contract for drilling intensification and improvement of existing wells;

-- a nation-wide high-speed wireless Internet system;

-- a nation-wide cell-phone system (that would compete with Moscow's MTS that currently dominates market share);

-- an electronic exchange system for the commodity exchange and for an eventual stock market;

-- a cement plant with an initial annual capacity of two million tons (with a possible increase to five million);

-- a major role in the Turkmenbashy International Seaport modernization and expansion, including provision of new ferries and cargo vessels; and

-- permission to open a joint-venture bank, likely with one of the three Korean banks that form part of Midland's current consortium.

¶3. (SBU) Murphy said he would stay in close touch with the Embassy.

HOAGLAND